

OFFICIAL COPY

Fresno, California

June 24, 2003

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Brian Calhoun	Councilmember
	Brad Castillo	Acting Council President
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Henry Perea	Councilmember
	Cynthia Sterling	Councilmember
	Tom Boyajian	Council President

Dan Hobbs, City Manager
Hilda Cantu Montoy, City Attorney
Becky Klisch, City Clerk
Yolanda Salazar, Assistant City Clerk

Pastor David Smit, Fresno Christian Reformed Church, gave the invocation, Kelsey "Annie" Parrish sang the Star Spangled Banner, and Councilmember Sterling led the Pledge of Allegiance to the Flag.

PROCLAMATION OF KARIN TAGGART DAY - MAYOR AND CITY COUNCIL

PROCLAMATION OF ROBERT E. MILLA DAY - MAYOR AND CITY COUNCIL

PROCLAMATION OF DAN PESSANO DAY - PRESIDENT BOYAJIAN

The above proclamations were read and presented.

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APPROVE MINUTES OF JUNE 17 AND 19, 2003:

On motion of Acting President Castillo, seconded by Councilmember Perea, duly carried, RESOLVED, the minutes of June 17 and 19, 2003, approved as submitted.

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City Manager Hobbs introduced and welcomed new Parks and Recreation Director Nanette Smejkal. Ms. Smejkal stated she was glad to be here and spoke briefly to her background and experience.

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COUNCILMEMBER REPORTS AND COMMENTS:

COUNCILMEMBER CALHOUN'S PREVIOUSLY SUBMITTED ITEM REQUESTING A STUDY RELATIVE TO POTENTIALLY RESTRICTING GAS POWERED LEAF BLOWERS/LANDSCAPING EQUIPMENT - ACTING PRESIDENT CASTILLO

Acting President Castillo stated he voted in opposition as Council was led to believe a study on the issue was being conducted by the Air Pollution Control District but it was not and stated if Councilmember Calhoun wished to bring the item back he would vote in support.

REQUEST FOR REPORT ON EXPENSES INCURRED BY STAFF CONCERNING THE RFP FOR SMG - COUNCILMEMBER DAGES

Request made with Councilmember Dages stating he was particularly interested in the trip to Honolulu. City Manager Hobbs stated a media news story did a disservice in reporting the trips and clarified Deputy Mayor Montero was in Hawaii on a personal visit and took time away from his vacation to visit an SMG facility there and Assistant City Manager Souza was in Philadelphia attending the International City Management Association Conference and took that opportunity to visit an SMG facility as well, added the new reporter had the benefit of that information and did not put that information in context, and stated he would report back on costs as requested.

COMMENDATION TO PARKS AND RECREATION AND DISTRICT 1 STAFF FOR ALL THEIR WORK ON THE SUCCESSFUL QUIGLEY PARK CARNIVAL - PRESIDENT BOYAJIAN

Commendation made.

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APPROVE AGENDA:

(1-N) RESOLUTION - CREATING A BLUE RIBBON COMMISSION TO CONDUCT A REVIEW OF CURRENT CITY POLICIES AND PROCEDURES RELATING TO THE PRESERVATION OF HISTORIC STRUCTURES AND BUILDINGS IN THE CITY AND TO MAKE RECOMMENDATIONS FOR IMPROVING HISTORIC PRESERVATION POLICIES

City Attorney Montoy advised some issues arose that needed to be finalized and requested the item be continued to the special meeting that would be scheduled for later this week on the budget. The meeting date was subsequently set for Friday, June 27th and the matter was laid over to June 27th.

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, the **AGENDA** hereby approved, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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ADOPT CONSENT CALENDAR:

Gloria Torrez spoke in opposition to Item **1-J** stating the company would be reimbursed 80% with federal monies, questioned the project and the reimbursement process, and stated the monies would be better spent on public transportation; spoke in opposition to **1-O** questioning the legality of the claim and stated there was no commitment to make Transit better; and spoke in opposition to **1-T** stating this would affect the working poor and explained.

(1-A) APPROVE AN AGREEMENT WITH THE FRESNO METROPOLITAN FLOOD CONTROL DISTRICT (FMFCD) FOR THE NORTH AVENUE TRUNK SEWER PROJECT, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR TO SIGN THE AGREEMENT ON BEHALF OF THE CITY

(1-B) RESOLUTION NO. 2003-192 - INTENT TO ANNEX FINAL TRACT NO. 5110 TO CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 2, ANNEXATION NO. 52, AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES

(1-C) * RESOLUTION NO. 2003-193 - ADOPTING AN INVESTMENT POLICY FOR PUBLIC FUNDS FOR FISCAL YEAR 2003-2004

(1-D) APPROVE PROPOSED LEASE AND CONCESSION AGREEMENT WITH FACILITY SERVICES AND SYSTEMS FOR BAGGAGE CART SERVICES AT FRESNO YOSEMITE INTERNATIONAL AIRPORT, AND AUTHORIZE THE DIRECTOR OF TRANSPORTATION TO EXECUTE THE SAME ON BEHALF OF THE CITY

(1-E) APPROVE AMENDMENT NO. 3 TO THE CURRENT CARGO BUILDING LEASE AND AGREEMENT WITH THE HERTZ CORPORATION, FOR A LEASE TERM OF 24 MONTHS BEGINNING JULY 1, 2003, AND AUTHORIZE THE DIRECTOR OF TRANSPORTATION TO EXECUTE THE SAME ON BEHALF OF THE CITY

(1-F) APPROVE AMENDMENT NO. 2 TO THE CURRENT CARGO BUILDING LEASE AND AGREEMENT WITH NATIONAL CAR RENTAL SYSTEM, INC., FOR A LEASE TERM OF 24 MONTHS COMMENCING JULY 1, 2003, AND AUTHORIZE THE DIRECTOR OF TRANSPORTATION TO EXECUTE THE SAME ON BEHALF OF THE CITY

(1-G) APPROVE EXTENSION NO. 2 TO THE TEMPORARY USE PERMIT (TUP) WITH THE POLICE DEPARTMENT TO OCCUPY PORTIONS OF THE AIRPORTS ADMINISTRATION BUILDING, AND AUTHORIZE THE DIRECTOR OF TRANSPORTATION TO EXECUTE THE SAME ON BEHALF OF THE CITY

(1-I) APPROVE REAPPOINTMENT OF SALLIE RAMIREZ TO THE COMMISSION ON THE STATUS OF WOMEN - COUNCILMEMBER STERLING

(1-J) AWARD A CONTRACT TO LANTIS CONSTRUCTION OF FRESNO IN THE AMOUNT OF \$229,566 FOR BUILDING MODIFICATIONS AT FRESNO AREA EXPRESS

(1-K) * RESOLUTION NO. 2003-194 - APPROVING THE REALLOCATION OF \$100,000 WITHIN THE WASTEWATER OPERATING FUND FOR THE HIGHWAY CITY SEWER PROJECT WHICH WILL INSTALL A NEW SEWER MAIN IN GRANTLAND AVENUE, PARKWAY DRIVE AND HERNDON AVENUE

1. AWARD A CONTRACT TO FLOYD JOHNSTON CONSTRUCTION COMPANY, INC., OF CLOVIS, CA, IN THE AMOUNT OF \$1,467,790 FOR THE PROJECT

(1-L) DECLARING BOTH BIDDERS, ROBICON CORPORATION OF PENNSYLVANIA AND POWER EQUIPMENT OF WASHINGTON, NON-RESPONSIVE, AND REJECT ALL BIDS FOR VARIABLE FREQUENCY DRIVES FOR SEWAGE PUMPS AND DIRECT STAFF TO REBID THE PROJECT

(1-M) RESOLUTION NO. 2003-195 - APPROVING THE FINAL MAP OF TRACT NO. 5070 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, PROPERTY LOCATED AT THE SOUTHWEST CORNER OF E. SIERRA AND N. CECILIA AVENUES

1. AUTHORIZE THE PUBLIC WORKS DIRECTOR TO EXECUTE THE SUBDIVISION AGREEMENT, THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR LANDSCAPE MAINTENANCE, AND THE DEED OF AVIGATION EASEMENT

2. AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT DEFERRING CERTAIN SEWER CONNECTION CHARGES, WATER CONNECTION CHARGES, URBAN GROWTH MANAGEMENT FEES AND DEVELOPMENT FEES TO THE TIME OF ISSUANCE OF CERTIFICATE OF OCCUPANCY AND CREATION OF LIEN, THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT TO PLANT AND MAINTAIN FRONT YARD TREES, THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR OUTLOT A, LOT 25 AND LOT 26, AND THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT ACKNOWLEDGING EXISTING SIERRA SKY PARK AIRPORT OPERATIONS

(1-O) RESOLUTION NO. 2003-196 - CONCERNING LOCAL TRANSPORTATION PURPOSE FUNDS "MEASURE "C"

1. AUTHORIZE THE CITY MANAGER TO EXECUTE THE LOCAL TRANSPORTATION PURPOSES CERTIFICATION AND CLAIM FORM

(1-Q) RESOLUTION NO. 2003-197 - CONTINUING A LOCAL EMERGENCY RELATING TO THE FIRE AT ARCHIE CRIPPEN EXCAVATION IN THE VICINITY OF MARKS AND NEILSEN AVENUES

(1-R) APPROVE THE TRANSFER OF THREE VACANT RESIDENTIAL LOTS FROM THE CITY OF FRESNO TO THE HOUSING AUTHORITY FOR A TOTAL PRICE OF \$5,700; AND AUTHORIZE THE PUBLIC WORKS DIRECTOR OR ASSISTANT DIRECTOR TO EXECUTE ALL APPROPRIATE DOCUMENTS TO COMPLETE THE TRANSACTION THROUGH ESCROW

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

CONSENT CALENDAR - BILLS FOR INTRODUCTION:

(1-S) * BILL - ADDING ARTICLE 22 TO CHAPTER 2 OF THE FRESNO MUNICIPAL CODE RELATING TO CAMPAIGN CONTRIBUTION LIMITS AND OTHER CAMPAIGN CONTROLS FOR CANDIDATES FOR ELECTIVE CITY OFFICE

(1-T) * BILL - RELATING TO THE PERMITTING AND REGULATION OF MOBILE VENDORS IN THE CITY OF FRESNO AND STREAMLINING THE CODE RELATING TO THE REVOCATION AND SUSPENSION OF BUSINESS PERMITS

Laid over to July 15, 2003

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CONTESTED CONSENT CALENDAR ITEMS:

(1-H) AUTHORIZE STAFF TO NEGOTIATE AND ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH MPA DESIGN GROUP TO PREPARE THE EATON PLAZA MASTER PLAN ALONG WITH THE PLANS AND SPECIFICATIONS FOR EATON PLAZA PHASE ONE CONSTRUCTION

Councilmember Calhoun stated he pulled the item for discussion so he could commend and acknowledge the efforts of staff and former Councilmember Ronquillo in finding the money to start delivering on the project which he called a “key jewel”, and upon his request Public Works Director Ruiz reviewed the project, including the history/background, stating this was a great opportunity for the city and for downtown revitalization. Mr. Ruiz, Councilmember Calhoun and P & R Analyst Milavich responded to questions of Councilmember Perea and President Boyajian relative to cost for master plan and funding sources, if this would be a multi-million dollar project, number of plans that have already been prepared for downtown and if a staff could locate one, if consultant was necessary, funding source to finish the project, and concern with the high cost of the master plan and desire to have known plan parameters so the cost could have been decreased

On motion of Councilmember Calhoun, seconded by Acting President Castillo, duly carried, RESOLVED, staff authorized to negotiate and enter into a professional services agreement with MPA Design Group for an amount not to exceed \$224,000 to prepare the Eaton Plaza Master Plan and the plans and specifications for Eaton Plaza Phase One construction; and authorize the city manager or designee to execute and submit all documents pertaining to completion of the Eaton Plaza Phase One project, including, but not limited to, applications, agreements, amendments and payment requests, among others, which may be necessary for completion of the purpose of securing grant funds and to implement and carry out the purpose specified in the applications and agreement, all subject to prior approval as to form by the city attorney’s office, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

(1-P) APPROVE AGREEMENTS WITH BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY (BNSF) RELATING TO PURCHASE OF REAL PROPERTY NECESSARY FOR THE SANTA FE DEPOT RENOVATION PROJECT AND DOWNTOWN PARKING

Councilmember Calhoun stated he again pulled the item for discussion as this was a major milestone for the city, commended staff and acknowledged and gave credit to Senator Jim Costa for all his efforts **(2 - 0)**, and spoke to the project clarifying this would be a restoration of the Southern Pacific building to bring it back to its former glory for use as a ticketing station as was done in the past and added the other piece of the issue, purchasing property, would allow the city to move forward on Warehouse Row, and made a motion to approve staff’s recommendation. City Attorney Montoy spoke to the history of the project and stated it was a good project and met all the parameters Council gave to staff. Councilmember Duncan spoke briefly in support and to the intent of the renovation, and Councilmember Perea questioned the timeline of the project and requested staff submit a schedule, with Mr. Public Works Director Ruiz responding.

On motion of Councilmember Calhoun, seconded by Acting President Castillo, duly carried, RESOLVED, the Second Amendment to the Master Agreement with BNSF, which allows for renovation of the Santa Fe Depot as an Amtrak Station and sets forth a framework for development of the property to the south of City Hall and outlines guidelines for the City' relationship with BNSF hereby approved; the Purchase Agreement with BNSF which contains carefully negotiated terms that reflect the parameters set forth by the City Council, to purchase the Santa Fe Depot, Freight Office and vacant properties for \$1,028,000 hereby approved; a 20-year "station lease" agreement with Amtrak (with three 5-year options) to provide passenger rail service to the renovated Santa Fe Depot approved; and the Public Works Director or designee authorized to execute all and any other related documents on behalf of the City, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

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The City Council recessed at 9:38 a.m. and convened in joint session with the Redevelopment Agency at 9:39 a.m.

(9:30 A.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

APPROVE AGENCY MINUTES OF JUNE 17, 2003

On motion of Councilmember Sterling, seconded by Acting President Castillo, duly carried, RESOLVED, the Agency minutes of June 17, 2003, approved as submitted.

("A") HEARING TO CONSIDER WHETHER PUBLIC INTEREST AND NECESSITY REQUIRE ACQUISITION OF CERTAIN PROPERTY LOCATED AT 257 N. THESTA (APN 459-262-28) OWNED BY ELISEO M. AND SYLVIA ROLDAN, HUSBAND AND WIFE AS JOINT TENANTS, FOR PUBLIC PURPOSES AND REDEVELOPMENT OF THE PROPERTY, AND AUTHORIZING EMINENT DOMAIN PROCEEDINGS FOR PUBLIC USE AND PURPOSE - REGIONAL MEDICAL CENTER PROJECT(JEFFERSON REDEVELOPMENT PROJECT AREA)

1. AGENCY RESOLUTION NO. 1626 - DETERMINING THAT PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF THE PROPERTY

Chair Duncan announced the time had arrived to consider the issue and opened the hearing. City Attorney Montoy recused herself from the proceedings due to a potential conflict of interest and left the dais, with Chief Assistant City Attorney Sanchez present.

Redevelopment Administrator Murphey reviewed the issue as contained in the staff report as submitted including findings to be made, and recommended approval.

Barbara Hunt, 2475 S. Walnut, spoke in opposition to eminent domain and questioned if the home would be replaced as required by law.

Upon call, no one else wished to be heard and Chair Duncan closed the hearing.

Upon request of Councilmember Sterling, Agency Director Fitzpatrick explained the negotiation and acquisition process. Councilmember Sterling commented on the issue and to how she has seen the project evolve over time as a former planning commissioner and made a motion to approve.

On motion of Councilmember Sterling, seconded by Councilmember Perea, duly carried, RESOLVED, the above entitled Agency Resolution No. 1626 hereby adopted, and the office of the city attorney and outside counsel authorized to institute and conduct to conclusion, in the name of the Redevelopment Agency of the City of Fresno, proceedings in Eminent Domain in accordance with the laws of the State of California, including Eminent Domain Law, to acquire the property in fee simple absolute and to accept and consent to the recordation of any deeds or right of entry on behalf of the Redevelopment Agency, by the following vote:

Ayes : Boyajian, Calhoun, Castillo, Dages, Perea, Sterling, Duncan
 Noes : None
 Absent : None

(“B”) CONSIDER MATTERS RELATING TO THE APPROVAL AND ADOPTION OF THE PROPOSED FREEWAY 99-GOLDEN STATE CORRIDOR BOULEVARD REDEVELOPMENT PLAN WITH REVISED BOUNDARY ALTERNATIVE “B”
(*COUNCIL DELIBERATION ONLY - HEARING CLOSED ON 6/17/03*)

- 1. JOINT RESOLUTION NO. 2003-198/1627** - CERTIFYING PROGRAM ENVIRONMENTAL IMPACT REPORT NO. 03-01 (WITH ATTACHMENTS AS OUTLINED AND INCLUDED IN THE STAFF REPORT)
- 2. AGENCY RESOLUTION NO. 1628** - APPROVING AND ADOPTING THE REPORT TO THE CITY COUNCIL WITH SUPPLEMENT AND AUTHORIZING SUBMISSION TO THE COUNCIL
- 3. JOINT RESOLUTION NO. 2003-199 /1629** - ADOPTING FINDINGS THAT THE USE OF THE 20 PERCENT LOW AND MODERATE INCOME HOUSING SET-ASIDE FUNDS OUTSIDE THE FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR REDEVELOPMENT PROJECT AREA WILL BE OF BENEFIT TO THE PROJECT AREA
- 4. COUNCIL RESOLUTION NO. 2003-200** - ADOPTING FINDINGS IN RESPONSE TO WRITTEN OBJECTIONS TO THE ADOPTION OF THE PROPOSED REDEVELOPMENT PLAN WITH REVISED BOUNDARY ALTERNATIVE “B”
- 5. * BILL NO. B-53 - ORDINANCE NO. 2003-53** - ADOPTING THE REDEVELOPMENT PLAN FOR THE FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR REDEVELOPMENT PROJECT (*COUNCIL ACTION*)

Chair Duncan announced the time had arrived to consider the issue, opened the hearing, and commended staff for all their work and efforts. Director Fitzpatrick advised this had been an 18 month project and also thanked staff, stated it was a good example of a process that worked citing the numerous meetings with neighborhoods and Fresno County and added a lot was learned, noted additional documentation was submitted addressing all the written and oral concerns raised on the plan, and requested approval of the matters as outlined above and adoption of Revised Boundary Alternative “B”.

President Boyajian commented briefly and commended staff, stated this was a necessity for the corridor area due to the amount of blight, and stated more positive things would happen and be seen and made a motion to approve staff’s recommendation, which motion was seconded and acted upon after brief discussion. Councilmember Calhoun stated the County of Fresno was an important partner and elaborated, and spoke to his involvement in the process and to the Highway 99 beautification effort and thanked staff for all their work. Councilmember Sterling commended staff for overseeing the project through and stated she looked forward to seeing the end result.

On motion of President Boyajian, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Joint Resolution No. 2003-198/1627, Agency Resolution No. 1628, Joint Resolution No. 2003-299/1629 and Council Resolution No. 2003-200 hereby adopted, and the above entitled Bill No. B-53 approving the proposed Freeway 99-Golden State Boulevard Corridor Redevelopment Project with Revised Boundary Alternative “B” adopted as Ordinance No. 2003-53, by the following vote:

Ayes	:	Boyajian, Calhoun, Castillo, Dages, Perea, Sterling, Duncan
Noes	:	None
Absent	:	None

(“C”) APPROVE AMENDMENT NO. 4 TO THE REDEVELOPMENT AGENCY CONTRACT WITH THE CITY AND COUNTY HOUSING AUTHORITY TO EXTEND THE BASE YEAR OF THE CONTRACT FOR A THREE YEAR PERIOD BEGINNING JULY 1, 2003, WITH THE OPTION TO EXTEND THE AGREEMENT ON AN ANNUAL BASIS FOR UP TO TWO ADDITIONAL YEARS WITH AN ANNUAL HOUSING REHABILITATION BUDGET OF \$2,340,860 AND A REVOLVING FUND OF \$750,000 FOR BOARDED UP/VACANT PROPERTY ACQUISITION

Redevelopment Administrator Murphey reviewed the issue as contained in the staff report as submitted.

Speaking to the issue were: Barbara Hunt 2475 S. Walnut, who spoke to Southwest Fresno’s boundary and related issues; and Kathy Omachi, Chinatown Revitalization, who suggested the year end report contain how many actual facilities benefitted and a map showing the locations adding there was an accountability issue with the public.

President Boyajian thanked Director Fitzpatrick for his leadership and the Housing Authority, stated the results were available and spoke in strong support and to the success of the program, and made a motion to approve, which motion was seconded and later acted upon.

Mr. Fitzpatrick, Housing Authority representative Paley and Mr. Fitzpatrick responded to questions/comments of Councilmember Calhoun relative to the program evaluation and findings, if recommendations would be implemented, how contractors are hired, why KC Construction seemed to be doing almost all the work, if CURE was involved in this program, if CURE will be a bidder, if there was any information to show that investing in neighborhoods (“giving money away”) really benefitted neighborhoods, and if a study had ever been conducted to show that the improvements result in increased property values.

Councilmember Sterling stated she has seen the hope in families that have benefitted and it speaks volumes, and encouraged everyone to look at the pictures in the annual report. Councilmember Perea stated he believed one of the primary goals of government was to invest in neighborhoods and stated the pictures said a lot, constituents were happy, neighborhoods were starting to stabilize, and he supported the program 100 percent and he would like to see more money to do more houses. **(3 - 0)** President Boyajian noted there was an article in the Fresno Bee some ago relative to increases in home values and spoke to the increase in certain council districts stating he believed it was due to people taking advantage of this program and elaborated. Chair Duncan added this was a good program that worked very well and was accountable and it was appropriate to extend the agreement.

On motion of President Boyajian, seconded by Councilmember Sterling, duly carried, RESOLVED, Amendment #4 to the Redevelopment Agency contract with the Housing Authority to extend the base year contract for three (3) years beginning July 1, 2003, with an annual budget of \$2,340,860 with the option to extend the agreement annually for two (2) additional years, and a one time allocation of \$750,000 to the Boarded-Up Housing Fund hereby approved, by the following vote:

Ayes : Boyajian, Calhoun, Castillo, Dages, Perea, Sterling, Duncan
 Noes : None
 Absent : None

(“D”) CONSIDER AND ADOPT AMENDMENT TO THE BY-LAWS OF THE REDEVELOPMENT AGENCY

1. AGENCY RESOLUTION NO. 1630 - RESCINDING PRESENT BY-LAWS AND ADOPTING NEW BY-LAWS

(“E”) CONSIDER AND APPROVE THE SECOND COOPERATION AGREEMENT BETWEEN THE CITY AND THE REDEVELOPMENT AGENCY

Director Fitzpatrick gave an overview of the issues as contained in the staff reports as submitted, clarified three documents were being presented (the by-laws, the agreement and the budget to follow) to clean up the transition process and reflected the various issues that have come up over the years relative to the way business is conducted

Barbara Hunt, 2475 S. Walnut, spoke in support.

Upon question of Acting President Castillo, City Manager Hobbs stated although he did not believe in split governance he saw these issues as status quo (citing the decision made in 1997 to separate the Agency from the City) and stated he had no concerns. Mr. Fitzpatrick and City Attorney Montoy responded to questions/comments of Acting President Castillo relative to meaning of actions being taken this date, the Agency choosing to keep the city's purchasing agent and why it wanted to out-source legal services, if the same practices/process would continue, and who the liability insurance carrier was. Chair Duncan clarified these actions would formalize things, update an obsolete agreement, and would not change anything, and commended Chief Assistant City Attorney Sanchez for all his work.

On motion of President Boyajian, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Agency Resolution No. 1630 hereby adopted, and the Second Cooperation Agreement between the City of Fresno and the Redevelopment Agency hereby approved, by the following vote:

Ayes : Boyajian, Calhoun, Castillo, Dages, Perea, Sterling, Duncan
 Noes : None
 Absent : None

(“F”) HEARING ON AND ADOPTION OF THE FY 2003-04 BUDGET OF THE REDEVELOPMENT AGENCY

1. AGENCY RESOLUTION NO. 1631 - APPROPRIATING THE FY 2003-2004 REDEVELOPMENT AGENCY BUDGET

Chair Duncan announced the time had arrived to consider the issue and opened the hearing.

Director Fitzpatrick gave an overview of the proposed budget including the carrying out of current projects, proposed new projects, current FRC employees and one city vacancy becoming RDA, and advised flexibility had been built in due to the uncertainty with the State.

Barbara Hunt, 2475 S. Walnut, spoke to various aspects of the budget.

Upon call, no one else wished to be heard and Chair Duncan closed the hearing.

Lengthy discussion ensued. Councilmember Calhoun clarified RDA employees would not be treated any differently than city employees and would be entitled to the same contract benefits as any other city employee, and along with President Boyajian presented questions relative to the numbers, if there any concerns that the Council/Agency should be concerned with or made aware of, Ms. Kutka's relationship/communications process with the City Controller and the finance department, if the City and RDA had their own auditors, high cost for temporary services, if the RDA had a grant writer, tax increment decrease in the Merger One downtown area, if a rise in tax increment had been seen in other areas, tax increment and the completion of the Roeding Business Park and the newly created Freeway 99-Golden State Boulevard Corridor, where tax increment currently stood, and the Broadway Row Project including if the Agency was involved and if it affected the budget, with Financial Officer Kutka, Mr. Fitzpatrick and Redevelopment Administrator Murphey responding to questions throughout. Mr. Fitzpatrick clarified (1) since 1997 and with the Freeway 99 corridor tax increment had doubled and acreage had tripled with basically the same staff, and (2) additional revenue should be coming in with refinancing of the Mariposa bonds.

A motion and second was made to adopt the budget. City Attorney Montoy clarified adoption of the budget was not self-executing and contracts would be coming back for approval and personnel decisions would be made, and relative to the FRC stated her office would have to review the agreement and explained.

Ms. Murphey, Ms. Kutka and Mr. Fitzpatrick responded to questions of Acting President Castillo relative to ID charges, the grant writer and if there was a list of all grants applied for, amount budgeted for the Cental Valley Incubator project **(4 - 0)**, if the Agency was assisting businesses coming downtown with fees, permits, etc., and how a business could obtain information on assistance.

On motion of Councilmember Calhoun, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Agency Resolution No. 1631 hereby adopted, by the following vote:

Ayes	:	Boyajian, Calhoun, Castillo, Dages, Perea, Sterling, Duncan
Noes	:	None
Absent	:	None

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The joint bodies adjourned their meeting at 11:11 a.m.

RECESS - 11:11 A.M. - 11:26 A.M. Acting President Castillo and Councilmembers Perea and Sterling arrived later.

(10:00 A.M.) HEARING REGARDING INCREASING THE MAXIMUM SPECIAL TAX DUE TO AN INCREASE OF AREA TO BE MAINTAINED BY ANNEXATION NO. 47 OF COMMUNITY FACILITIES DISTRICT (CFD) NO. 2, TRACT NO. 5099

- 1. RESOLUTION NO. 2003-202 - AUTHORIZING THE LEVY OF A SPECIAL TAX AND SETTING APPROPRIATIONS LIMIT**
- 2. RESOLUTION NO. 2003-203 - CALLING SPECIAL MAILED-BALLOT ELECTION**
- 3. RESOLUTION NO. 2003-204 - DECLARING ELECTION RESULTS**
- 4. RESOLUTION NO. 2003-205 - CHANGE OF MAXIMUM SPECIAL TAX**
- 5. * BILL NO. B-54 - ORDINANCE NO. 2003-54 - LEVYING A SPECIAL TAX FOR THE PROPERTY TAX YEAR 2003-2004 AND FUTURE TAX YEARS**

President Boyajian announced the time had arrived to consider the issue and opened the hearing.

Assistant Public Works Director Kirn gave a brief overview of the issue as contained in the staff report as submitted.

Upon call, no one wished to be heard and President Boyajian closed the hearing.

On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, RESOLVED, the above entitled Resolution Nos. 2003-202, 2003-203, 2003-204 and 2003-205 hereby adopted, and the above entitled Bill No. B-54 adopted as Ordinance No. 2003-54, by the following vote:

Ayes : Calhoun, Dages, Duncan, Boyajian
 Noes : None
 Absent : Castillo, Perea, Sterling

(10:05 A.M.) CONTINUED HEARING TO CONSIDER ALIGNMENT AND WIDTH OF PROPOSED PUBLIC STREET FOR AN 11-PARCEL INDUSTRIAL DEVELOPMENT LOCATED ON THE WEST SIDE OF N. VALENTINE BETWEEN W. ASHLAN AND W. SHAW AVENUES

1. CONSIDER AND ADOPT THE FINDING OF A CATEGORICAL EXEMPTION, CLASS 32, FOR ENVIRONMENTAL ASSESSMENT NO. TPM-2003-08

2. RESOLUTION NO. 2003-206 - APPROVING A NEW STREET ALIGNMENT FOR A NEW LOCAL INDUSTRIAL STREET BETWEEN W. ASHLAN AND W. SHAW ON THE WEST SIDE OF N. VALENTINE AVENUE

President Boyajian announced the time had arrived to consider the issue and opened the hearing.

Planner Bernal gave a brief overview of the issue as contained in the staff report as submitted. Councilmember Perea arrived at 11:30 a.m. Upon question of President Boyajian, Planning Manager Beach stated the past problems/issues with the developer/proposed alignment had been mitigated.

Barbara Hunt, 2475 S. Walnut, spoke to the need for Caltrans to be involved and contribute. Acting President Castillo arrived at 11:32 a.m.

Upon call, no one else wished to be heard and President Boyajian closed the hearing.

On motion of President Boyajian, seconded by Councilmember Duncan, duly carried, **RESOLVED**, the finding of a Categorical Exemption, Class 32, prepared for Environmental Assessment No. TPM-2003-08, dated June 11, 2003, hereby approved, and the above entitled Resolution No. 2003-206 hereby adopted, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Boyajian
 Noes : None
 Absent : Sterling

(10:15 A.M.) HEARING ON REZONING APPLICATION NO. R-03-13 AND ENVIRONMENTAL FINDINGS, FILED BY CAPISTRANO FRESNO PARTNERS, PROPERTY LOCATED ON THE NORTHEAST CORNER OF N. HAYES AND W. GETTYSBURG AVENUES

1. CONSIDER AND ADOPT ENVIRONMENTAL ASSESSMENT NO. R-03-13/T-5134, FINDING OF CONFORMANCE WITH THE 2025 FRESNO GENERAL PLAN MASTER ENVIRONMENTAL IMPACT REPORT (MEIR NO. 10130)

2. BILL NO. B-55 - ORDINANCE NO. 2003-55 - AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT SITE FROM AE-5/UGM TO R-1/UGM

President Boyajian announced the time had arrived to consider the issue and opened the hearing.

Planner Braun gave an overview of the issue as contained in the staff report as submitted and recommended approval.

Barbara Hunt, 2475 S. Walnut, questioned why this project was not addressed with the 2025 General Plan.

Upon call, no one else wished to be heard and President Boyajian closed the hearing. President Boyajian stated he could not support the project as there were no impact fees.

On motion of Acting President Castillo, seconded by Councilmember Calhoun, duly carried, **RESOLVED**, the environmental finding of Environmental Assessment No. R-03-13/T-5134, dated April 15, 2003, that the project proposal conformed to the provisions of the 2025 Fresno General Plan MEIR No. 10130 hereby approved, and the above entitled Bill No. B-55 rezoning the site adopted as Ordinance No. 2003-55, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea
 Noes : Boyajian
 Absent : Sterling

(10:30 A.M.) JOINT MEETING WITH THE JOINT POWERS FINANCING AUTHORITY (JPFA)

(“A”) CONSIDER MATTERS RELATING TO INVESTING FUNDS IN THE LOCAL AGENCY INVESTMENT FUND THROUGH THE JPFA

1. JPFA RESOLUTION - APPROVING A PROMISSORY NOTE PAYABLE TO THE CITY OF FRESNO
2. COUNCIL RESOLUTION - APPROVING AND ACCEPTING THE PROMISSORY NOTE FROM THE JPFA

Continued to July 15, 2003.

(10:45 A.M.) CONTINUED HEARING ON REZONE APPLICATION NO. R-03-09 AND ENVIRONMENTAL FINDINGS, FILED BY LAWRENCE PARTNERS, PROPERTY LOCATED ON THE WEST SIDE OF N. CHESTNUT AVENUE (ALIGNMENT) BETWEEN E. COPPER AND E. INTERNATIONAL AVENUES

1. CONSIDER AND ADOPT ENVIRONMENTAL ASSESSMENT NO. R-03-09/C-03-29/R-5150, FINDING OF CONFORMANCE WITH THE 2025 FRESNO GENERAL PLAN MASTER ENVIRONMENTAL IMPACT REPORT (MEIR NO. 10130)
2. **BILL NO. B-56 - ORDINANCE NO. 2003-56** - AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT PROPERTY AL-20 (COUNTY) TO R-1-C/UGM

President Boyajian announced the time had arrived to consider the issue and opened the hearing.

Planner Chamberlain reviewed the issue as contained in the staff report as submitted. Councilmember Sterling arrived at 11:38 a.m.

Barbara Hunt, 2475 S. Walnut, spoke to the issue.

Councilmember Duncan commended staff for their work with area residents and stated this action would bring the project into conformance with the general plan.

On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, **RESOLVED**, the environmental finding of Environmental Assessment No. R-03-09/C-03-029/T-5150, dated April 15, 2003, that the project proposal conforms to the provisions of the 2025 Fresno General Plan MEIR No. 10130 hereby approved, and the above entitled Bill No. B-56 rezoning the subject property adopted as Ordinance No. 2003-56, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

(3-A) NOTIFICATION OF POTENTIAL LOSS OF FUNDING FOR MEASURE “C” AND ITS AFFECTS ON THE CITY OF FRESNO - COUNCILMEMBER DUNCAN

Councilmember Duncan stated although there was the possibility of a new Measure “C” and a two-thirds vote to keep it going he felt it was very important that the public be made aware of what the loss of Measure “C” truly means, and upon request Public Works Manager Madewell spoke to the potential loss of funding for Measure “C” and its effects on the city, all as contained in the staff report as submitted.

Speaking to the issue were: Gloria Torrez who expressed concern stating there was a lot of money FAX hadn’t received over the past years as it has been taken resulting in decreased service; Bruce Morris, member of the Committee for the Next Measure “C”, who spoke to the group’s mission and stated the city could not afford to not have the funds for public transportation and neighborhoods; and Barbara Hunt, 2475 S. Walnut, who spoke to the need for the funds.

Councilmember Calhoun stated the public was basically blase about the issue, stated the reality of getting a two-thirds vote was about zero, and stated people needed to understand what the current measure has done for them but they were not interested and would not be until the funds are gone. Acting President Castillo noted he has stated all along that the groups that opposed Measure "C" were not taken seriously and their concerns needed to be listened to, and presented questions to Mr. Morris relative to what the group has done since Measure "C" was defeated, if the group has invited city staff to any of its meetings, and if Mr. Morris felt there would be value with having the City at the table, with Mr. Morris stating no and not at this time and explained. Acting President Castillo stated he disagreed and encouraged the City be included. Councilmember Perea stated this measure was too important and he did not feel people would just let it go away without another fight, and questioned who took the leadership on the original campaign, and if there had been any discussions with the Chamber of Commerce on their thoughts/plans, with Mr. Madewell responding. Councilmember Duncan noted 54% of the people voted in support of the measure and there was a long way to go, and stressed philosophy on the measure did not mean anything and all that mattered was getting two out of three people to support a new measure. President Boyajian stated he felt the City was a little arrogant and if some concerns had been mediated there would not have been the opposition there was, and stressed the people needed to be listened to and needed to come to a common ground. There was no further discussion.

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LUNCH RECESS - 12:08 P.M. - 1:34 P.M.

(3-B) REQUEST STAFF UPDATE AND DIRECTION AS REQUIRED REGARDING SECURING THE CURRENT FUNDING SOURCE, EXECUTION OF AN AGREEMENT, AND COMPLETION OF THE PINEDALE SPECIFIC PLAN AS APPROVED IN THE FY 2003 BUDGET - COUNCILMEMBER CALHOUN (*Addressed again later - Motion made during budget proceedings)

Councilmember Calhoun noted this issue had been in the process for three years, spoke to Pinedale's plans and needs and how there was a feeling they had been forgotten when the City annexed them from the county, **(5 - 0)** stated he wanted the funds to remain in the development department's budget and carried over to FY 2004 so they could be expended, and clarified the funds had not been expended because of a problem with establishing a contract with the consultant and requested assistance. City Manager Hobbs and Planning & Development Director Yovino spoke to the issue and recommended the appropriation in the department's budget be revised by the \$40,000 for the contract and the money would be carried over for that purpose. Councilmember Calhoun spoke to the need to get a contract together stating he did not want to be in this position again next year. Mr. Yovino stated if a contract is not worked out the end of July staff would look at a different consultant or another way to do this as they did not want to delay the project. Controller Quinto recommended a motion be made later during the budget hearing to appropriate the funds in FY 04 as part of the budget to be adopted. Upon question of President Boyajian, City Attorney Montoy and Ms. Quinto clarified the funds could not be encumbered without a contract. There was no further discussion and a motion was made later during the budget hearing.

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(1:30 P.M.) APPEARANCE BY HERB WESSON, SPEAKER OF THE CALIFORNIA STATE ASSEMBLY, TO PROVIDE A UPDATE OF THE STATE BUDGET PROCESS - COUNCILMEMBER CALHOUN

Assembly Members Reyes and Nunez stated State budget negotiations were ongoing and there had been an inability to reach a compromise, spoke to the budget deficit, stated it was clear to Assembly democrats that there was no way they would be able to produce a budget with cuts alone and stated taxes would have to be raised to balance the budget, spoke to the budget the Assembly democrats would be putting forth on Thursday or Friday and the other budget proposals that were out there and what the cuts from the all the proposals would mean to the city of Fresno, and urged Council to participate in the budget debate in Sacramento stating they needed Council's help to try and reach a compromise.

With a June 30th deadline to adopt a budget Councilmember Duncan questioned why the Members were here and not in Sacramento trying to negotiate a real solution, stated at issue was a State spending problem that needed to get under control and elaborated, stating raising taxes was not a solution, and stated the assembly members needed to sit down and talk with the republicans to work out a solution and not pressure Council to pressure the republicans adding he stood behind their budget, with Ms. Reyes and Mr. Nunez responding. Councilmember Dages thanked the assembly members for being here and clarified Councilmember Duncan's view was an individual one and not necessarily the view of the entire Council, and commended Ms. Reyes for all she has done for his district's constituency. Councilmembers Calhoun and Perea also thanked Ms. Reyes and Mr. Nunez for taking the time to talk to Council stating maybe something would be learned from this year for next year and acknowledged tough choices would have to be made.

Councilmember Perea and Controller Quinto presented questions relative to the numbers and their impact on Fresno, if the democrats' proposal was a multi-year proposal, if the city's \$3 million loss would be made up of a general fund loss or RDA, what the democrats were asking from the cities, and if the League of California Cities had taken a position, with Ms. Reyes and Ms. Quinto responding throughout. Councilmember Sterling, Acting President Castillo and President Boyajian thanked Ms. Reyes and Mr. Nunez for coming and reaching out and for their courage in talking to the many bodies across the state. There was no further discussion.

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CLOSED SESSION:

(4-A) CONFERENCE WITH LABOR NEGOTIATOR - EMPLOYEE ORGANIZATION: FRESNO CITY EMPLOYEES ASSOCIATION (FCEA)

(4-B) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAMES:

1. A.H.D.C. V. CITY OF FRESNO, ET AL.
2. MEDICAL ADVOCATES FOR HEALTHY AIR V. CITY OF FRESNO, FRESNO CITY COUNCIL
3. CITY OF FRESNO V. GARFIELD PARK HIGHLAND, ET AL. (EDWARDS)

The City Council met in closed session in Room 2125 at the hour of 2:14 p.m. to consider the above issues and reconvened in regular open session at 3:43 p.m.

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(3-C) DIRECT STAFF TO DESIGN THE INTERSECTION OF EAST AND HAMILTON AVENUES TO IMPROVE THE FLOW OF TRAFFIC AND IDENTIFY FUNDING RESOURCES AND REPORT BACK IN 30 DAYS - COUNCILMEMBER DAGES

Councilmember Dages referenced his memo submitted outlining problems and his concerns, advised one problem that was left out was a young lady killed at that intersection (which has blinking lights but no crossing arms) due to the trains that wait and pass one another that people can't see because of the distance and explained, advised he has contacted the State and others to try to have crossing arms installed and emphasized this was a nightmare and a real safety issue, and made a motion to request the city manager to direct staff as outlined above. City Manager Hobbs stated he wanted to get a report back to Council in a couple of weeks on what exactly was involved with the request stating it was his understanding this was an issue worth several hundred thousand dollars and added these types of projects are usually handled through the CIP process.

Councilmember Calhoun stated he was sensitive to the concern but had a problem with a council member asking for a major public works project in his district, stated this project should work its way through the CIP system, and added if this goes forward he would submit information to the city manager on projects in his district that he has been working on. Councilmember Dages stated it was the role of staff to look and try to find the money by direction of the Council adding if they can't find it they can't and he would look at other alternatives, and stated he would proceed along this line and if Council supported him that was fine and if they did not he would look at other ways and explain to the victim's family later. Mr. Hobbs stated he would determine if this should become a CIP project and go through the system and reiterated he would see what was involved and bring a report back as an FYI.

City Attorney Montoy recommended the motion be changed to direct staff to identify funding resources and report back in 30 days for the purpose of designing the intersection instead of directing the design first and then identify funding, with Councilmember Dages accepting the recommendation.

On motion of Councilmember Dages, seconded by Councilmember Perea, duly carried, RESOLVED, staff directed to identify funding sources and report back in 30 days for the purpose of designing the intersection of East and Hamilton Avenues to improve the flow of traffic, by the following vote:

Ayes	:	Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	Calhoun
Absent	:	None

Councilmember Calhoun stated he would come back with his two district projects and ask for the same thing.

(1:30 P.M. #2) CONTINUED HEARING ON THE FY 2003-2004 CITY OF FRESNO BUDGET

- 1.* RESOLUTION - ADOPTING THE FY2004 CITY OF FRESNO BUDGET, INCLUDING THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET AND THE ANNUAL APPROPRIATION RESOLUTION (AAR)
2. * RESOLUTION - ADOPTING THE FY 2004 POSITION AUTHORIZATION RESOLUTION (PAR)
3. * RESOLUTION - ADOPTING THE 409TH AMENDMENT TO THE MASTER FEE SCHEDULE (MFS) RES. 80-420 (ANNUAL AMENDMENT)
4. * BILL FOR INTRODUCTION AND ADOPTION ADOPTING THE PROPERTY TAX OVERRIDE (PTO) ORDINANCE
5. SELECTION OF METHODOLOGY FOR DETERMINATION OF FY 2004 GANN APPROPRIATION LIMIT
6. * RESOLUTION - ESTABLISHING RULES FOR THE APPLICATION OF CITY EMPLOYEE COMPENSATION RATES AND SCHEDULES AND RELATED REQUIREMENTS, AND ESTABLISHING COMPENSATION RATES AND SCHEDULES (FY 04 SALARY RESOLUTION)

DEPARTMENT PRESENTATIONS/COUNCIL CONSIDERATION (AS TIME PERMITS):

- a. CITY MANAGER'S OFFICE
- b. CAPITAL BUDGET, CITY-WIDE
- c. CDBG

President Boyajian announced the time had arrived to consider the issue and opened the hearing.

CLARIFICATION ON CONVENTION CENTER OUT-SOURCING MOTION - COUNCILMEMBER STERLING

(6 - 0) Councilmember Sterling noted confusion remained about the Convention & Visitor's Bureau's (CVB) role in the out-sourcing decision, and acknowledged she was also a little confused as to exactly where the money was going to come from to continue the function of the CVB and clarified her intent was for Global Spectrum to pay the CVB for their services. Upon question of President Boyajian, Acting President Castillo and Councilmembers Dages and Perea confirmed their continued support of the motion with the clarification. City Manager Hobbs stated the clarification was helpful and this was now a \$40,000 cost issue and not the larger amount. Controller Quinto further clarified Global's proposal included funding the CVB at a level of \$737,000, noted in FY 03 they were funded at \$777,000 (\$40,000 difference), and upon question Councilmember Sterling stated staff would negotiate the contract and she was fine with Global's proposal to fund the CVB at \$737,000. Ms. Quinto further clarified the Mayor's proposed budget and anticipated savings, with Councilmember Sterling stating she was not getting into that part of it as everything that was assumed was assumed with SMG, and stated she felt staff and the administration would have to work that out, with Mr. Hobbs stating that was understood.

MOTION - Dages/Perea - Move \$300,000 for EDC into a contingency account until EDC makes a presentation to Council on what they have contributed to the city of Fresno, their goals, how they plan to meet those goals, and a plan of action.

MOTION - Dages/Castillo - Defund the Film Commission excluding the \$50,000 for special projects - Total amount: \$100,170.

Relative to the EDC motion, Budget Manager Smith clarified the \$300,000 would not be freed up but moved into a contingency. Councilmember Dages, Ms. Quinto and Ms. Smith responded to questions relative to the \$50,000 for special projects and what events were funded.

MOTION - Dages/Castillo - Fund the City's Economic Development Director position for one month with the balance put into a contingency account until a plan of action is presented to Council.

Councilmember Dages explained his reasons for his above motion and his EDC motion. Councilmember Dages continued and spoke to neighborhood infrastructure, concrete and street repair, and funds being proposed.

MOTION - Dages/Perea - Designate the \$1.9 million for concrete and street repair to projects in each council district with the amount divided equally among each district (\$271,428).

Mr. Hobbs clarified the funds would be in addition to Council's \$175,000 neighborhood infrastructure budgets.

Councilmember Calhoun spoke to welcoming visitors to the Mayor/Council/City Manager offices stating the massive steel doors to the reception area were intimidating and he felt they should be replaced with something more attractive with perhaps a window, and also spoke to the reception area and how dark it was.

MOTION - Calhoun/Sterling - Replace the Executive Offices doors (\$6,000) and improve lighting in the Executive Offices reception area (\$3,000) - Funding Source: Account #54301, Project #51001, Org. #530701

Councilmember Duncan spoke briefly to social services funding and the current process.

MOTION - Duncan/Boyajian - Human Relations Commission to limit acceptance of applications for social service funding to children, senior citizens, veterans, **and disabled* needs (*added at the request of President Boyajian)

CITY MANAGER'S OFFICE:

City Manager Hobbs gave an overview of his department's budget including challenges and how they would be met, FY 2003 highlights, and FY 2004 issues.

Barbara Hunt, 2475 S. Walnut, spoke in support of the budget.

Acting President Castillo spoke to placing a freeze on all identified positions for the Convention Center transition with Mr. Hobbs responding. Brief discussion ensued on Motion #28 with Councilmember Dages clarifying it was strictly related to the public utilities department and not city-wide. Acting President Castillo requested staff identify and report back on which positions Councilmember Dages was targeting for elimination and which positions were targeted for the Convention Center.

MOTION - Castillo/Dages - Freeze all identified positions earmarked for Convention Center employees transition.

MOTION - Dages/Perea - Defund \$22,000 for line item 53303/Public Relations and Information

MOTION - Dages/Perea - Defund \$30,000 for line item 58004/Special Projects

There was no further discussion on the department.

CAPITAL BUDGET:

Budget Manager Smith gave an overview of the program's projects and continued commitments.

Barbara Hunt, 2475 S. Walnut, spoke to the issue.

City Manager Hobbs, Controller Quinto, and Assistant Public Works Director Kirn responded to questions and/or comments of Councilmembers Dages, Perea and President Boyajian relative to the UGM fund and audit (**7 - 0**), the RFP and status, cost for the audit, the retirement board loan for fire station renovations and other funding options, status of funds for the District 1 flashing yellow light safety project on McKinley for Fresno City College students, and alternatives to fund the Convention Center rehabilitation program.

MOTION - Boyajian/Sterling - Re-prioritize certain already-programmed public works projects to make funding available to make neighborhood projects whole (\$200,000) and also reestablish the reserves so the Selland Arena improvements capital projects can continue in FY 2004 (request Controller to identify funding mechanisms to do both)

Ms. Quinto spoke to the motion and to funding alternatives for the Selland Arena rehab. Brief discussion ensued on talking with Global about Selland Arena rehab, staff clarified President Boyajian's McKinley flashing light project was in FY 03's budget and in the final stage, City Attorney Montoy responded to questions of Councilmember Perea relative to formation of a Council committee for the Global contract, financing for Convention Center improvements not impacting the FY 04 budget, and priority project Nos. 2 and 3 being bumped down.

MOTION - Calhoun/Boyajian - Re-budget \$40,000 or whatever funds are remaining, that were not expended in FY 2003 for the Pinedale Specific Plan.

Budget Manager Smith, Public Works Director Ruiz and Ms. Quinto responded to questions and comments of Acting President Castillo relative to CMAC funds in FY 03 and FY 04 and concern with using general fund dollars

MOTION - Castillo/Sterling - Public Works Capital - Place \$1.2 million in general fund dollars in contingency with staff to come back to Council for approval on appropriations requests as needed

There was no further discussion.

COMMUNITY DEVELOPMENT BLOCK GRANT - CDBG:

Planning and Development Director gave an overview of the issue as contained in the staff report as submitted and along with City Manager Hobbs, Mr. Momen and Ms. Quinto responded to questions and comments of President Boyajian and Councilmembers Calhoun and Perea relative to use of DIP and DAP program funds, outline of the annual action plan, the Broadway Row project, and public works' portion of CDBG funds for concrete work.

*Councilmember Perea made a motion at this time to direct staff to meet individually with Council members to determine locations for curb and sidewalk repair, which motion was seconded by Councilmember Sterling (and discussed and withdrawn after the next motion was made).

MOTION - Perea/Sterling - Defund the Downtown Community Development Corporation of \$230,900 and place in Public Works Concrete and Street Repairs.

*President Boyajian requested clarification on Councilmember Perea's concrete repair motion with Councilmember Perea responding. Mr. Hobbs advised this was already the traditional practice, City Attorney Montoy advised decisions on locations should be made by a Council majority in open session, and confusion was expressed on whether the motion related to neighborhood infrastructure work or the 7-week program (**8 - 0**), with Ms. Montoy and Ms. Quinto responding and clarifying issues. At this time Councilmember Perea withdrew his motion, and Streets Manager Dilley spoke to the two different issues and responded to questions.

Ms. Quinto and Chief Dyer responded to questions of Councilmember Perea and Acting President Castillo relative to the additional \$900,000 given to the City by the Federal government as a re-allotment of CDBG funds, and funding for the Desist Team and POP Team and how to insure some of those funds would be used for continued policing in the El Dorado Park area.

Speaking to the CDBG budget were: Susan Bechara, House of Hope for Youth, P.O. Box 6230, who spoke to the funding process and presented questions (with Planning & Development Director Yovino and Budget Manager Smith responding); Alex Morrow, 1944 S. 5th Street, representing the California Orange-Butler Association, who spoke to the need for curb cuts (with Mr. Momen responding); Barbara Hunt, 2475 S. Walnut, who spoke to various issues and concerns; Kathy Omachi, 1433 Kern Street, Chinatown Revitalization, who expressed concern with the funding process and to the need be consistent and follow the process/procedure in place; and Henry Hendrix, 2377 S. Attucks, Executive Director for Central Valley Association for Community Services, operators of the Townhouse Campus on Motel Drive servicing veterans, who spoke to their high ranking and not being funded and requested Council reconsider.

Councilmember Sterling spoke briefly to Councilmember Perea's motion relative to the Downtown Community Development Corporation and made the following motion, with discussion ensuing including need to exclude mandated funding.

MOTION - Sterling/Duncan - Defund Consumer Credit Counseling and take the de-funding of the Downtown Community Development Corporation and use it to evenly fund the top ten ranked organizations in the scoring process. Request Chinatown Revitalization relinquish their funds and allocate those funds to the YMCA. Any funding required by contractual obligation would be excluded from this motion.

Councilmember Duncan seconded the motion noting CDBG stood for "Community Development Block Grant" *not* "Concrete Development Block Grant" and stated he supported a little more for the community side. Upon question of Councilmember Perea, Ms. Quinto confirmed a couple of organizations did apply for both CDBG and social service funds and upon request stated staff would provide a list of all applicants for social services funding to compare with those for CDBG funding.

Budget proceedings for the day were concluded and discussion ensued on setting a special meeting whereupon it was determined to meet on Friday, June 27th. The budget hearing was formally closed and deliberations were set for June 27th, with times recommended and later finalized.

Discussion ensued on the process for addressing the motions at Friday's meeting, various suggestions were made **(9 - 0)** and discussed, upon question Ms. Montoy advised Council would be able to add motions, upon question Ms. Quinto advised Council would be provided with the motion summary and the funding effects tomorrow, Ms. Montoy clarified what issues/items would be scheduled on Friday's agenda, and the time was further discussed and set

The meeting was continued to June 27th at 7:30 a.m. for Council deliberations on the FY 04 budget and CDBG Action Plan along with Consent item 1-N continued earlier relative to Blue Ribbon Commission, and a special closed session as requested by Acting President Castillo.

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ADJOURNMENT

There being no further business to bring before the City Council, the hour of 6:28 p.m. having arrived and hearing no objections, President Boyajian declared the meeting continued to June 27th at 7:30 a.m. and the Council meeting adjourned.

APPROVED on the __15th__ day of July, 2003.

_____/s/_____
Tom Boyajian, Council President

ATTEST: _____/s/_____
Yolanda Salazar, Assistant City Clerk

